

Yovich & Co. Weekly Market Update

5th May 2025

Market News

	NZX 50G	All Ords	Shanghai	FTSE	Dow	NASDAQ	NZDAUD	NZDUSD	OCR
Previous Week 25th April	12017.84	8175.12	3295.06	8415.25	40113.50	17382.94	0.9321	0.5957	3.50%
Week Close 2 nd May	12327.89	8456.21	3279.03	8596.35	41317.43	17977.73	0.9223	0.5951	3.50%
Change	2.58%	3.44%	-0.49%	2.15%	3.00%	3.42%	-1.05%	-0.10%	0.00%

The NZX 50 Index rose a solid 2.58%, its largest gain since November 22, 2024, closing at 13,327.89. Australian markets climbed 3.44% ahead of the federal election. With Anthony Albanese re-elected, becoming the first prime minister to win a second term since 2004, investor confidence in policy continuity has strengthened. Markets often face uncertainty in the lead-up to elections as companies and investors await potential policy shifts. This renewed confidence has bolstered the AUD against the NZD, with the latter falling 1.05% over the week to close at 0.9223.

Global markets showed a generally positive tone this week, with the Shanghai Composite inching up 0.49% to 3,279.03, and the FTSE 100 gaining 2.15% to close at 8,596.35. All reflecting cautious optimism despite broader economic uncertainties. U.S. markets also posted strong gains, as the Dow Jones Industrial Average rose 3.00% to 41,317.43, while the NASDAQ Composite increased slightly more, up 3.42% to 17,977.73, boosted by strength in Microsoft and Meta after their earnings announcements.

NZ Weekly Market Movers

The biggest movers of the week ending 05 May 2025			
Up		Down	
Gentrack Group	10.27%	KMD Brands	-4.35%
Hallenstein Glasson	8.23%	Tourism Holdings	-4.11%
Mainfreight	7.45%	Auckland International Airport	-3.31%
Westpac Bank	7.40%	Scales Corporation	-1.64%
Infratil	6.64%	Manawa Energy	-1.62%

Source: Iress

Investment News

Mainfreight (MFT.NZ)

Mainfreight has guided FY25 revenue and NPBT above consensus expectations, prompting a forecast upgrade to \$387m NPBT, with strength driven largely by Australia and improving conditions in New Zealand, while tariff impacts remain limited due to the Group's ANZ focus; Jarden maintain a\$71 target price and Overweight rating, reflecting confidence in medium-term growth. As a result of this announcement, Mainfreight's share price increased over 10% last week.

Navigating Nuclear: A Long-Term Look at Uranium ETFs

As the global push for decarbonisation accelerates, nuclear energy is experiencing a renewed wave of interest. Governments, investors, and industry leaders are reassessing uranium's role in delivering reliable, low-emission baseload power, especially as electrification and AI-driven data infrastructure place greater strain on energy grids. For long-term investors, this shift presents a compelling thematic opportunity: uranium-focused ETFs. In this week's spotlight, we take a closer look at two of the most prominent ETFs in the space, VanEck Uranium and Nuclear ETF (NLR) and Global X Uranium ETF (URA).

VanEck Uranium and Nuclear ETF (NLR)

VanEck Uranium and Nuclear ETF seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the MVIS Global Uranium & Nuclear Energy Index. The ETF replicates the performance of companies involved in uranium mining and nuclear energy production. NLR offers a diversified approach by investing in both uranium miners and nuclear energy utilities. This blend provides exposure to the entire nuclear energy value chain, from uranium extraction to power generation. The inclusion of utilities adds a layer of stability, potentially reducing volatility compared to pure-play uranium mining investments.

Highlights:

- Comprehensive exposure including utilities, uranium miners, and service providers
- Reliable and low carbon-emissions power source that can meet rising electricity demand
- Renewed policy support from the U.S., France, Japan, and China, among others
- Expense ratio 0.56% (cost of holding the ETF excluding brokerage.)

Global X Uranium ETF (URA)

The Global X Uranium ETF provides investors access to a broad range of companies involved in uranium mining and the production of nuclear components, including those in extraction, refining, exploration, or manufacturing of equipment for the uranium and nuclear industries. The Global X Uranium ETF seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Solactive Global Uranium & Nuclear Components Total Return Index. URA focuses more heavily on uranium mining companies, offering a more concentrated exposure to the uranium sector. This focus can lead to higher volatility but also the potential for greater returns during periods of rising uranium prices.

Highlights:

- URA delivers efficient access to a basket of companies involved in mining uranium and producing nuclear components.
- Expense ratio of 0.69% (cost of holding the ETF excluding brokerage.)
- Holdings: 48
- Objective: Seeks to provide investment results that correspond to the price and yield performance of the Solactive Global Uranium & Nuclear Components Total Return Index.
- High growth potential: Uranium will likely play a key role in the global energy transition. Forecasts suggest that reactor demand could rise from an estimated 65,650 metric tonnes in 2023 to nearly 130,000 in 2040.

Sector Exposure: NLR versus URA			
VanEck Uranium and Nuclear ETF (NLR)	Holdings %	Global X Uranium ETF (URA)	Holdings %
Utilities	50.47%	Energy	59.7%
Energy	35.47%	Industrials	26.6%
Industrials	14.21%	Materials	8.9%
Other/Cash	-0.15%	Utilities	4.0%
		Information Technology	0.9%

Top Five Country exposure: NLR versus URA			
VanEck Uranium and Nuclear ETF (NLR)	Holdings %	Global X Uranium ETF (URA)	Holdings %
United States	48.08%	Canada	39.7%
Canada	13.92%	United States	16.6%
Italy	6.90%	South Korea	14.1%
Australia	6.46%	Australia	11.8%
Czech Republic	5.62%	Japan	5.8%

Top 10 Holdings: NLR versus URA			
VanEck Uranium and Nuclear ETF (NLR)	Holdings %	Global X Uranium ETF (URA)	Holdings %
Constellation Energy Corp	8.44%	Cameco Corp	22.67%
Public Service Enterprise Group Inc	7.47%	Sprott-Phys Uran	8.54 %
Endesa Sa	7.11%	Nexgen Energy Ltd	5.60%
Pg&E Corp	6.79%	Uranium Energy Corp	4.43%
Cameco Corp	6.55%	Nac Kazatog-Regs	4.43%
Cez As	5.26%	Oklo Inc	3.70%
Fortum Oyj	5.17%	Nuscale Power Corp	3.59%
Oklo Inc	4.87%	Hyundai Eng&Cons	3.33%
Bwx Technologies Inc	4.81%	Paladin Energy Ltd	3.09%
Nexgen Energy Ltd	4.66%	Mitsubishi Heavy	3.03%

Performance: NLR versus URA after fees & taxes		
	VanEck Uranium and Nuclear ETF (NLR)	Global X Uranium ETF (URA)
1 Year	-2.69%	-18.12%
3 Years	11.41%	-1.37%
5 Years	15.80%	25.52%
10 Years	7.14%	-7.28%

Uranium ETFs like NLR and URA offer investors avenues to participate in the nuclear energy sector's growth. NLR provides a more diversified exposure, including utilities, which may appeal to investors seeking stability. In contrast, URA offers a more concentrated bet on uranium mining, potentially yielding higher returns during favourable market conditions but with increased volatility.

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As with any investment, it's crucial to assess individual risk tolerance, investment goals, and the broader market context. Please consult with your Financial Adviser who can help determine the suitability of these ETFs within a diversified investment portfolio.

There are no dividends 6th of May to 6th of June.

For more information and to stay updated subscribe to our newsletter and consult with your Financial Adviser to tailor your investment strategy.